

Office of the Secretary  
Federal Communications Commission  
1919 M Street, N.W.  
Washington, D. C. 20554

22 1998

In the Matter of:  
Proposed Revisions of  
1998 Collection Amounts For Schools and  
Libraries and Rural Health Care Universal Service  
Support Mechanisms.

CC Docket No.96-45

Comments of: Patricia A. Tumulty, Executive Director, New Jersey Library Association,  
Box 1534, Trenton, N.J. 08607.

The New Jersey Library Association files these comments on May 22, 1998 regarding Proposed Revisions of 1998 Collection Amounts For Schools and Libraries and Rural Health Care Universal Service Support Mechanisms. The New Jersey Library Association and the New Jersey Library Trustee Association urges the FCC to fully fund the universal service discount program for our schools and libraries at the previously announced levels for this year. Our Associations represent over 3,000 individuals who are committed to advancing library services to the residents of New Jersey. We represent the interest of 252 municipal and county libraries in New Jersey that receive dedicated library funding, as well as an additional 60 public libraries that are voluntarily supported by their communities. Approximately 30 libraries have branch facilities, making a total of 450 public library outlets in New Jersey.

028

We support the e-rate program and urge Congress and the FCC to keep its commitment to the residents of this state by providing the promised funding for this program. The e-rate program is designed to help provide affordable Internet access, distance-learning and other educational opportunities to library users. We believe the Telecommunications Act of 1996 made a promise that every resident will benefit from the telecommunications resolution.

Discounts of 20%-90% on specific telecommunications services are sought. The initial response from the library and school community of \$2 billion in funding during 1998 demonstrates the need for this program. In New Jersey every dollar of a library budget is obtained through tax support or through donations. Almost ninety percent of a public library's budget comes from local resources which are dependent upon local property taxes.

#### **Need For This Program in New Jersey.**

Over 30,000 applications have been received by the Schools and Libraries Corporation for e-rate discounts. This clearly demonstrates the need for this program. New Jersey ranks 7th in the number of applicants. Our libraries are utilizing new technologies to bring the promise of the information age to all. The e-rate is an essential component in permitting libraries to offer new electronic services. The need for universal service funding is most apparent in our urban areas. Although New Jersey is considered an extremely affluent state, there are large areas of poverty. New Jersey has approximately 26 designated urban school districts. These districts receive additional funding from state aid to compensate

for a poor local property tax base on which to generate funding for local services.

Unfortunately there is no comparable funding for urban libraries. These libraries face the same dismal property tax situation as urban schools. Virtually all of these libraries would receive between 80-90% discounts under the Federal Universal Service Fund. Consider the case of Camden City, one of the poorest cities in the country. The library serves a population of 82,866 with per capita support of \$12.11. Currently, the library spends about \$200 a month or \$2,400 a year on books. If the library were to install a T-1 line the cost is \$3,600 a year. The library would have to forgo its entire book budget to provide new technology. Discounts are essential to an urban library.

New Jersey also has many small libraries which would be tremendously impacted if the e-rate were not implemented. Of the 312 public libraries in New Jersey, many have very small budgets:

17 libraries have budgets under \$49,000 a year

22 libraries have a total budget from \$50,999 to \$99,999 a year

22 libraries have a total budget from \$100,000 to \$149,000 a year

21 libraries have a total budget from \$150,000 to \$199,999 a year.

In total, 27% of all libraries in New Jersey have yearly budgets under \$200,000 a year.

Even additional discounts of 20% or 40% on these services is extremely significant when budgets are so limited.

## **NEED FOR INSIDE WIRING**

The New Jersey Library Association also supports including inside wiring under the universal service program. Urban libraries generally have older buildings and need extensive wiring. Cities like Jersey City, Passaic, Asbury Park, Camden City have not completed inside wiring. Wiring should be considered part of the universal service plan at this time. If libraries are not wired these communities will never get connected to the Internet. It will be useless to provide a 90% discount on telecommunications services if these institutions never get the opportunity to connect. The State of New Jersey is making a large commitment to connecting our residents by providing 5 million dollars in funding for computer hardware. This would be of no use to many libraries if they are not wired. Many of our urban libraries were built before the turn of the last century. For example: Asbury Park built in 1885; Hoboken built in 1896; Orange built in 1900; Salem City built in 1885 and Jersey City in 1898. All of these communities are considered depressed urban school districts. As a recent report from the U. S. Department of Education indicated, poor urban areas are behind the rest of the country in wiring classrooms for the Internet. Our experience shows that poorer urban libraries are also significantly behind in this area. Until these libraries have the funding for wiring, there will be little benefit from the discounts provided by the universal service fund.

## CONCLUSION

The library community of New Jersey urges the FCC to fund the Universal Service Fund at the previously announced level. Providing access to the Internet and other telecommunications services is costly for every library but the benefits which people can receive from the Internet are priceless. The Telecommunications Act of 1996 made a pact with the people of the United States. Every resident, regardless of income, could benefit from the telecommunications revolution through their schools and libraries. It is now unfair to shift the entire cost of implementing these new services onto the already limited budgets of schools and libraries. These discounts are essential for our libraries to provide these services. The amount of money applied for demonstrates how desperately these funds are needed throughout the country. Many libraries simply may not be able to afford to offer these services without the promised discounts. The dream of universal access to the benefits of the Internet can only be realized if the funding is available.

Submitted by:

Patricia Tumulty  
Box 1534  
Trenton, N.J. 08607